

**CareFirst Disclosure Schedules
Agreement and Plan of Merger
November 20, 2001**

TYPE OF LICENSE/OPERATING AUTHORITY	ISSUED BY	ISSUED TO
Private Review Agency License	Maryland Insurance Administration	Preferred Health Network of Maryland, Inc.
Delaware License - Life and Health Insurance Agency	Delaware Insurance Department	Allnation Insurance Agency, Inc.
Pennsylvania License - Life and Health Insurance Agency	Pennsylvania Insurance Department	Allnation Insurance Agency, Inc.
Maryland Certificate of Authority - Health Maintenance Organization	Maryland Insurance Administration	PHN HMO, Inc.
Maryland Certificate of Qualification - Third Party Administrator	Maryland Insurance Administration	PHN Services, Inc.
Virginia Certificate of Authority - to transact business	Commonwealth of Virginia, State Corporation Commission	PHN Services, Inc.
DC Certificate of Authority - to transact business as a Health Maintenance Organization	DC Department of Insurance and Securities Regulation	PHN HMO, Inc.

CareFirst Disclosure Schedules
Agreement and Plan of Merger
November 20, 2001

ISSUING OFFICE	ISSUING OFFICE	ISSUING OFFICE
Health Maintenance Organization Service Area Approvals	Maryland Department of Health and Mental Hygiene	PHN HMO, Inc. (regarding Baltimore City and Anne Arundel, Baltimore, Carroll, Harford and Howard Counties) Calvert County (regarding Cecil, Charles, Frederick, Prince George's, Montgomery and St. Mary's Counties)
Maryland License - Third Party Administrator	Maryland Insurance Administration Certification of Qualification	National Capital Administrative Services, Inc.
Maryland License - Third Party Administrator	Maryland Insurance Administration Certification of Qualification	Willse & Associates, Inc.
DC License - Insurance	DC Department of Insurance and Securities Regulation	National Capital Administrative Services, Inc.
DC License - Insurance	DC Department of Insurance and Securities Regulation	Willse & Associates, Inc.

OCC 011228

**CareFirst Disclosure Schedules
Agreement and Plan of Merger
November 20, 2001**

ISSUED TO	ISSUED BY	ISSUED TO
Maryland License - Resident Agent	Maryland Insurance Administration Certification of Qualification	Willse & Associates, Inc.
Pennsylvania License - Insurance Administrator	Commonwealth of Pennsylvania Insurance Department	Willse & Associates, Inc.
Virginia License - Life & Health Insurance Agent	Commonwealth of Virginia, State Corporation Commission	Willse & Associates, Inc.
Virginia License - Life & Health Insurance Agent	Commonwealth of Virginia, State Corporation Commission	National Capital Administrative Services, Inc.
North Carolina Registration - Third Party Administrator	State of North Carolina Department of Insurance	The Michelsen Group, Inc. D/B/A NCAS
South Carolina License - Insurance Agency	South Carolina Department of Insurance	The Michelsen Group, Inc. D/B/A NCAS
Texas Registration - Third Party Administrator	Texas Department of Insurance	Willse & Associates, Inc. D/B/A CareFirst Administrator
Delaware Registration - Insurance Agent	State of Delaware	Willse & Associates, Inc.
Virginia License - Life & Health Insurance Agent	Commonwealth of Virginia State Corporation Commission	National Capital Insurance Agency, Inc.

OCC 011229

**CareFirst Disclosure Schedules
Agreement and Plan of Merger
November 20, 2001**

DC License - Insurance	DC Government	National Capital Insurance Agency, Inc.
DC License	DC Department of Insurance and Securities Regulation	National Capital Insurance Agency, Inc.
Certificate of Qualification - Nonresident Agent Firm	Maryland Insurance Administration	National Capital Insurance Agency, Inc.
Certificate of Authority - Delaware Insurance Agent	State of Delaware	National Capital Insurance Agency, Inc.
Certificate of Qualification - Medical	Maryland Insurance Administration	Delmarva Health Plan, Inc., Director - Lane Wroth, M.D.
Private Review Agency License	Maryland Insurance Administration	Group Hospitalization and Medical Services, Inc.
Private Review Agency License	Maryland Insurance Administration	CareFirst BlueChoice, Inc.
Private Review Agency License	Maryland Insurance Administration	Free State Health Plan, Inc.
Private Review Agency License	Maryland Insurance Administration	CareFirst of Maryland, Inc.

OCC 011230

CareFirst Disclosure Schedules
Agreement and Plan of Merger
November 20, 2001

Section 4.11(a) Certain Contracts and Commitments

TOP 25 CUSTOMER CONTRACTS:

1. State of Maryland
2. City of Baltimore
3. Baltimore County Government
4. State of Delaware
5. MBNA America
6. Federal Employees Program
7. Verizon
8. Prince George's County Public Schools
9. Aerotek
10. GEICO
11. Fairfax County Public Schools
12. Integrated Health Services
13. Anne Arundel County Board of Education
14. Montgomery County Government
15. Harford County
16. Fairfax County Government
17. Montgomery County Public Schools
18. BCBS-MD
19. Johns Hopkins Hospital
20. Transit Employees Health & Welfare Fund
21. Anne Arundel County
22. US Office Products
23. BG&E
24. Medstar
25. Northrup Grumman ESSD

CareFirst Disclosure Schedules
Agreement and Plan of Merger
November 20, 2001

TOP 25 PROVIDER SYSTEM CONTRACTS:

1. Medstar
2. Johns Hopkins Health System
3. Christiana Care Health Services
4. University of Maryland Medical Center
5. INOVA
6. LifeBridge Health System
7. GBMC
8. Adventist Healthcare
9. St. Joseph
10. Bayhealth Medical Center
 - Kent General Hospital
 - Milford Memorial Hospital
11. Anne Arundel Medical Center
12. Mercy Medical Center
13. Alfred I. DuPont Hospital for Children
14. Peninsula Regional
15. St. Agnes Healthcare, Inc.
16. George Washington University Hospital
17. Sibley Memorial Hospital
18. Genesis Facilities
19. Holy Cross
20. Suburban
21. Columbia Arlington Hospital
22. Southern Maryland Hospital
23. Dimensions Healthcare System
24. Beebe Medical Center
25. Upper Chesapeake Health System

**CareFirst Disclosure Schedules
Agreement and Plan of Merger
November 20, 2001**

LARGEST PROVIDER VENDOR CONTRACTS

1. Advance/PCS—BCBS-MD & BCBS-NCA
2. Advance/PCS—BCBSD
3. Milliman & Robertson
4. Health Management Corporation
5. QO
6. Neighborcare/Genesis
7. Magellan Behavioral Health
& Value Options (Health Management Strategies)
8. MEC Healthcare
9. American Psych Services
10. The Dental Network

SERVICES PROVIDED

Pharmacy Benefit Management
Pharmacy Payment
Administration
Case & Utilization Management
Disease Management Services
Cancer disease management
DME, Home Health, Infusion,
Skilled Nursing, Outpatient
Therapy
Mental Health & Substance
Abuse
Primary Vision & Ophthalmology
Mental Health & Chemical
Dependency services
Dental

**MATERIAL VENDOR CONTRACTS: VENDORS WITH ADMINISTRATIVE EXPENSES GREATER THAN \$1,000,000;
SERVICES PROVIDED TO CAREFIRST OR ONE OF ITS AFFILIATES**

<u>VENDOR</u>	<u>GENERAL DESCRIPTION</u>	<u>CONTRACT WITH</u>
1. Accenture (formerly Andersen Consulting)	IT Consulting & Service: e-Architecture & e-Distribution	CareFirst
2. Adecco Employment Services	Temporary Help Services	BCBS-MD & BCBS-NCA
3. Airport Square XIX, LLC	Lease Agreements	Preferred Health Network
4. Allianz Life Insurance Co. of North America	Reinsurance	PHN
5. Ascendia Healthcare Management	Billing & Collection Services for Patuxent Medical Group	Patuxent Medical Group
6. The Barrington Group, Ltd.	Market Flex Benefit Services for National Capital Insurance Agency, Inc.	National Capital Insurance Agency, Inc.
7. Bell Atlantic Network Services	Telephone—Local Service	CareFirst BCBS-MD
8. BenefitNation, Inc.	Typesetting & Directory Printing	CareFirst BCBS
9. Christiana Care Health Services, Inc.	Lease to 200 Hygeia Drive	BCBSD
10. Columbia Management, Inc.	Lease to 9100 Guilford Rd. (RiversPark)	BCBS-MD
11. Computer Associates International, Inc.	Software Programs Licenses	BCBS-MD

**CareFirst Disclosure Schedules
Agreement and Plan of Merger
November 20, 2001**

12. Del-Mont Partners, L.P.	Lease to 1011 Center Road	BCBSD
13. WebMD	Managed Care Transactions	CareFirst
14. FirePond, Inc.	e-Distribution Consulting & Software	BCBS-MD
15. Foulkstone Partnership	Lease to 1401 Foulk Road	BCBSD
16. Four Owings Mills Corp., Center, L.L.P.	Lease to 1413 Foulk Road	BCBS-MD
17. Haworth/Total Office	Lease to Owings Mills II	BCBS-MD
18. HBOC-McKesson	Purchase, Installation of Office Furniture & Components and Furniture Lease	BCBS-NCA and PHN
19. Health Ink, L.L.C.	Software Maintenance Vendor	BCBS-MD
20. HSA Managed Care Systems, Inc.	On-line Health Service	BCBS-MD
21. TriZetto Group, Inc.	IT Consulting & Vendor services	BCBS-NCA
22. Hub Properties Trust	Intellectual Property License	PHN
23. IBM	Lease to 100 South Charles St.	CFS Health Group
24. Jetsort	Mainframe Software Agreement	BCBS-MD
	Automated Mail Processing Services	BCBS-MD
25. The MEDSTAT Group, Inc.	Medical Decision/Provider Profiling Software	BCBS-MD
26. National Account Service Company	User fees—National Claims System	BCBS-MD
27. TriZetto Group, Inc.	Management & Administrative Services	PHN
28. Parcel 49B Limited Partnership	Office Lease Agreement: 1250 & 1280 Maryland Avenue, S.W., Washington, D.C.	BCBS-NCA
29. Recognition Research, Inc.	Form Processing Software	BCBS-MD
30. Three Owings Mills Land Limited Partnership	Lease to Owings Mills I	BCBS-MD
31. Timebridge Technologies	PC Equipment	BCBS-NCA
32. Trahan, Burden, & Charles, Inc.	Advertising Agency—Television	BCBS-MD
33. Williams Communications	Communications Equipment Purchase & Maintenance Agreement	BCBS-NCA
34. Lloyd's	Medical Reinsurance	BCBSD
35. Verizon	Telephone Services	BCBSD
36. Fast & Associates, Inc.	Advertising services	Preferred Health Network
37. FCB Worldwide	Marketing & advertising services	CareFirst
38. Mathew Greenwald & Associates, Inc.	Surveys	CareFirst
39. The MEDSTAT Group, Inc.	Medical Decision/Provider Profiling Software	BCBS-MD

**CareFirst Disclosure Schedules
Agreement and Plan of Merger
November 20, 2001**

40. Professional Research Consultants	Telephone Surveys	CareFirst
41. Reynolds & Reynolds Company	Electronic Printing	Preferred Health Network
42. Sigma Consultants	Software Service & Maintenance	CareFirst Insurance Agency
43. Sungard Recovery Services, Inc.	IT disaster recovery services	BCBS-MD
44. The TriZetto Group	Practice Management Services	Potomac Physicians, P.A.
45. Software House International	IT & Management Services	Preferred Health Network
46. Recognition Research Inc	Software Supplier	
47. Corporate Express Imaging	Consultants for Imaging System	
48. Comsys	Toner for Laser Printers	
49. Cornell	Contract Programmer Preferred Staffing Agreement	FEP
50. Microsoft	Contract Programmer Preferred Staffing Agreement	FEP
51. Network Security Consulting, LLC	Software House International	BCBS-MD
52. Nextira LLC	IT consulting and services for security and HIPAA	BCBS-MD
53. RealMed Corporation	Communications equipment purchase and maintenance	BCBS-NCA
	Claims software development	BCBS-MD

CAREFIRST AS "VENDOR"; MATERIAL CONTRACTS & COMMITMENTS; SERVICES PROVIDED BY CAREFIRST OR ONE OF ITS AFFILIATES

<u>CLIENT</u>	<u>GENERAL DESCRIPTION</u>	<u>CONTRACT WITH</u>
1. BCBSA/FEP	BCBS-NCA and BCBS-MD performs administrative services in support of the FEP program	BCBS-NCA and BCBS-MD
2. BCBSA/Medicare Part A Common Working File	BCBS-MD performs administrative services in support of Medicare A program; Operations Center	BCBS-MD
3. Medical Life Insurance Co.	Administrative Agreement	
4. Sierra Military Health Services, Inc.	NCIA performs marketing agent services for MLI	NCIA
5. BCBSA	Champus Health Services Sub-contract	PHN
	Administration of claims, enrollment and decision support	BCBS-NCA

**CareFirst Disclosure Schedules
Agreement and Plan of Merger
November 20, 2001**

systems

INTERCOMPANY AGREEMENTS; SERVICES PROVIDED BETWEEN CAREFIRST ENTITIES

<u>AGREEMENT</u>	<u>GENERAL DESCRIPTION</u>	<u>PARTIES</u>
1. Administrative Functions Agreement	Affiliates' performance of administrative functions	BCBS-MD, CFS Health Group, CMP, Willse & Associates
2. Intercompany Agreement	Fund transfers & cost allocations	BCBS-MD & BCBS-NCA
3. Management Agreement	Management, marketing, claims processing services by CFS for the HMOs	CFS Health Group, FSHP, Delmarva Health Plan
4. Intercompany Revolving Line of Credit Agreement—with Notes	Revolving Line of Credit from BCBS-MD to CFS Health Group & FSHP	BCBS-MD, CFS Health Group, FSHP
5. Lease Agreement	Intercompany lease of Personal Property	BCBS-MD, CFS Health Group, CMP, Delmarva Health Plan
6. Guarantor Agreement	BCBS-MD Guaranty of FSHP obligations	FSHP, BCBS-MD
7. Preferred Health Network	Network Access Management	BCBS-MD
8. Preferred Health Network	Sales & Marketing Agreement	BCBS-MD
9. Preferred Health Network	Surplus notes for \$4,891,106 dated November 8, 2000, and \$8,200,000 dated February 23, 2001	Free State Health Plan, Inc.

"WILLSE & ASSOCIATES" D/B/A CAREFIRST ADMINISTRATORS

1. Facilities lease from Trammell Crow Company
2. Subscriber Services Agreement with Private Healthcare Systems, Inc.
3. Network Access Agreement with Alliance PPO
4. Subrogation Agreement with Subro Audit, Inc.
5. Administrative services agreement with Trans-General Life Insurance Company
6. Managed Care Agreement with FutureHealth Corporation
7. Automated Clearing House Agreement with Crestar
8. Services Agreement with HealthAxis.com, Inc.
9. System Support Agreement with basys, inc.